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Cover Page Footnote
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Conundrums in Commercial Cosmetics: Interrogating the Effectiveness of Market-Based Strategies for Poverty Alleviation and Women’s Empowerment in Argan Oil and Shea Butter Economies

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Introduction

The semi-arid, rolling Mediterranean hills lumbered past us, spotted with spindly trees and the occasional djellaba-clad onlooker. My group of fellow American students had driven from the northern coastal capital of Rabat, Morocco to the southern port cities of Essaouira and Agadir. We were now nearing the end of our excursion as we pulled into a large dirt path off the freeway. A hand-painted sign, in Arabic, French, and English greeted us: Cooperative Marjana d’Extraction d’huile d’Argan. Marjana Cooperative for the Extraction of Argan Oil.

Essaouira and the surrounding region are particularly famous for argan oil production. The sub-Mediterranean climate hosts the perfect environment for argan trees – and is one of the few areas in the world where they grow. Marjana Cooperative, operated almost completely by Moroccan women, dedicates itself to argan nut harvesting and oil manufacturing. We were ushered from building to building and shown each step of the production process. Women in colorful djellabas chatted amiably as they shelled nuts and occasionally posed for a photo by a curious foreign onlooker. Questions for the cooperative members had to be translated from English to French to Darija – making conversation a tad jilted.1 What I most wanted to know was how the women felt about participating in a cooperative. Were their lives improved? Did they feel empowered? Shy at first with my limited vocabulary, the most I could ask was this:

“How do you like making argan oil?”

“Vous aimez faire d’huile argan?”

“Tuhib suhn zayt al’arghan?”

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1 Darija is the colloquial name for the Moroccan dialect of Arabic, which differs significantly from formal Arabic and has no written counterpart.
A woman in a pink djellaba with white floral patterns stared at me, her brown eyes wide and kind. She cocked her head to one side, thinking over what I had asked. She pursed her lips and then bobbed her head from side to side; not quite shaking it “no,” but not quite nodding “yes” either. That was her answer.

A growing trend of the last 20 years within the international development community is the budding focus on “women’s empowerment.” States, non-governmental organizations (NGOs), and supranational organizations – such as the United Nations and the World Bank, have directed development initiatives toward women, most notably emphasizing income-generating and market-based projects as vehicles of economic and social empowerment. This paper argues that a concentration on women’s entrepreneurship as a major development mechanism is potentially flawed, particularly when the enterprises generate products that are dependent on the ebbs and flows of the global market and fluctuating tastes of consumers in the Global North. This investigation will examine the sustainability of market-based women’s empowerment mechanisms and poverty alleviation initiatives, focusing on social enterprises generating “niche products.” It will compare two globally popular cosmetic products as case studies: argan oil, produced primarily in Morocco, and shea butter, produced in West Africa – specifically Ghana and Burkina Faso.

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2 A Djellaba is a traditional unisex Moroccan dress, consisting of a long tunic and hood.
3 The definition for Global North and Global South used in this paper is that of the United Nations Development Program, categorizing countries through the Human Development Index (HDI). Global South countries generally have HDIs less than 0.8. Global North countries constitute the United States, Canada, Western Europe, and some countries in East Asia.
4 Niche products are part of a special subset of a larger market. The “niche” nature of the product is defined both by its specific method of production and marketed level of quality. Argan and shea are a niche sector of the cosmetics market.
In exploring the implications of social enterprises for women’s economic empowerment, it is necessary to first contextualize shea and argan gendered production processes and examine the transition from a locally essential raw material to a luxury cosmetic product demanded by wealthy consumers all over the world. We must then describe the “neoliberal development paradigm,” a concept encouraging development initiatives rooted in ideals of individualism and entrepreneurial spirit. Situating shea butter and argan oil production and consumption within this paradigm will catalyze three things. First, this analysis looks at quantitative economic data, focusing on local household returns to income and wealth in the wake of the argan and shea booms to quantitatively corroborate (or disprove) the notions of success dominating discourse on market-based development projects. Second, it constructs a theoretical framework that critiques the paradigm from feminist and sociological perspectives, elucidating the power dynamics and inequality between producers and consumers of argan and shea. Finally, this paper compares those empirical findings and qualitative critiques to anecdotes collected on the ground from Marjana Cooperative members. These independent analyses taken together will allow exploration of an important debate dominating development discourse: whether short-term material benefits are provided by market-based initiatives, and if so, whether these benefits outweigh long-term structural weaknesses of such initiatives.

**Contextualization: Why Shea and Argan?**

Argan oil and shea butter constitute niche products within the cosmetics market, with their production restricted to both specific geographic regions and manufacturing
methods. Both argan and shea are sold as exotic, luxury cosmetics products internationally. Brenda Chalfin describes how in the late 1990s, shea butter moved from a local raw material to a niche market within the beauty industry as a luxury cosmetic for a demographic of female consumers – primarily in the Global North.5 Dominique Guillaume and Zoubida Charrouf highlight how argan oil has steadily become “a major actor in the dermocosmetic field.”6 They, along with le Polain de Waroux, trace the argan boom back to the late 1990s when international cosmetic firms “took an interest in the resource as a skin care product.”7 In 1999, European firms such as Yves-Roche and Colgate-Palmolive had already begun to investigate the cosmetic properties of argan oil.

To provide some contemporary examples, the French cosmetics brand L’Occitane sells a 5.2-ounce tin of shea butter for $42.00.8 The American cosmetics brand Josie Maran sells a 4-ounce bottle of argan oil for $96.00.9 Datamonitor, a Swiss market research firm, cited only two personal care products in the United States listing argan oil as an ingredient in 2007. A 2011 follow-up found 111 products, documenting its exponential growth in argan popularity through the turn of the millennium.10 These cosmetics brands are only two of hundreds that have capitalized on the luxury appeal of shea butter and argan oil – others include Origins (Estee Lauder), The Body Shop (L’Oreal), and OGX (Vogue International). This boom is reflective of the growing globalization of the cosmetics industry: multinational firms are recruiting raw materials

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8 See Appendix A: Figure 1
9 See Appendix A: Figure 2, 3
as cosmetics ingredients from previously untapped geographic regions and cultures. The globalization of the cosmetics industry is economically idiosyncratic. Many multinational firms seek new resources that are cheaper substitutes or move production where labor is less expensive. In luxury cosmetics, the demand for novel ingredients has driven industry globalization, with firms investing in uncommon materials that may actually be more expensive – such as argan and shea nuts. According to its own report, L’Occitane pays 20 to 30% more for shea butter from West Africa than Western producers.\textsuperscript{11}

\textit{Gendered Production}

Shea butter and argan oil are produced using traditional methods, methods that are also historically gendered: in both markets, women have primarily manufactured the oil and butter. Argan oil is processed from nuts collected from argan trees: the nut must first be collected, dried, and then the flesh removed. The nut is then cracked for the kernels, ground and pressed for oil. Similarly, shea butter is fat extracted from the fruit of the \textit{karite} tree. Women collect the nuts, crush them to extract the fat, and beat it into butter.

Both processes are highly labor intensive, but are still traditionally worked by women. As Chalfin states “shea is an inextricable feature of the feminine domain.”\textsuperscript{12} Women have produced and used shea butter for generations – and have intimate knowledge of the tree itself that is passed down through successive generations of females. In the case of argan oil, it is the women who have historically managed the entire life of the nut, from tree to oil – particularly in indigenous Amazigh communities.


It is important to note that in both markets, the women often do not own the sources of the nuts. Argan orchards are either held by male owners or on government land, while shea trees are also owned by the male head of the family or grow wild in the West African landscape. Despite the lack of ownership of the original resource, “women are [still] the keepers of tradition…they are the ones who have the ancestral know-how for production.”

Both argan and shea embody characteristics of a “heritage product.” As objects, the oil and the butter alone hold cultural and historical significance to the heritage of the communities producing and consuming them. But the significance extends to more intangible aspects, such as the actual role that their production and consumption processes play in the lives and communities of indigenous women. As the preparation of shea butter is passed down matrilineally from mother to daughter, the transfer of knowledge strengthens generational ties. The knowledge itself is “imbued with meanings that draw on the sociological, cosmological and ritual realm…cementing social ties between women.”

A bit to the north, women not only possess the knowledge to make argan oil, but also the extensive and varied uses for it as a staple of the Amazigh diet and natural healing elixir for everything from stretch marks and dry skin to diabetes. Women in the Sous and Anti-Atlas regions of Morocco have developed “an argan tree-oriented way of life,” since the time of the Phoenicians, using the tree and its fruits to “support the family circle.” For example, at Marjana, the women sang traditional songs about

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marriage, love, and childbirth in Tashelhit as they shelled the nuts. This is culturally significant, as Katherine Hoffman notes that the argan tree serves as a symbol in the construction of this Ashelhi identity. The interaction between the women and the tree cultivates meaning for both the gender and ethnic identity of Ashelhi women. The fruit of the trees is not just a commodity; indeed the whole tree and its role in Ashelhi feminine life signifies the dissimilarity of Ashelhi women from their Arab cohort. Thus, argan oil and shea butter can indeed offer economic gain, but also have essential anthropological functions.

The Neoliberal Development Paradigm: A Gendered Perspective

Positive Intentions

To its critics neoliberalism “signifies the seemingly limitless advance of a global marketplace, a fully integrated apparatus serving the interests of a global corporate elite via new strategies of capital accumulation.” In a purely economic context, this is not necessarily an inaccurate description – at least in its nods to a fully integrated global marketplace. The neoliberal era of capitalism began with the Washington Consensus and the economic policies put forward for developing countries by the International Monetary Fund (IMF), World Bank, and other international institutions. These policies primarily focused on rescuing developing countries of Latin America in economic crisis, purporting the amalgamated world market as a powerful tool to realign economically failing

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16 Tashelhit is the southern variety of the native Amazigh language, Tamazight.
17 Ashelhi refers to the Amazigh ethnic group of the Anti-Atlas, Sous region of southern Morocco.
countries. Liberalization of trade, financial deregulation, devaluation of currency, and the elimination of agricultural subsidies are some fundamental policies of the Washington Consensus that have received much criticism following their implementation.

But the more useful definition of neoliberalism for this investigation is an ideological one. Speaking more broadly, within neoliberal thought, the world market is envisioned as both engine driving growth and a compass directing it. So neoliberalism, in this sense, operates as an ideological framework – one that casts production as a “mode of domination” based on “insecurity and precariousness,” but also offers great potential for gain. Humans operate within the boundary of a system of markets, of supply and demand chains, of profit and loss transactions where their individual ability to produce and trade is their best asset. This realization is essential to understanding social enterprises and similar development schemes. The emergence of these strategies as poverty alleviators reflects the trend in development to both mold human action and foster these abilities in order to fight global inequality using the market structure itself.

Thus, when manifested in international development discourse, neoliberal thought centers on principles of self-sufficiency and the ability to function in the market as a rational economic individual. Development approaches “presuppose that participation in markets provides substantial benefits and that making the market more inclusive for the poor will ‘enhance their empowerment and human development’.”

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22 Freeman, Carla. Entrepreneurial Selves: Neoliberal Respectability and the Making of a Caribbean Middle Class.
as an individual and a country is to forge capabilities required to interact in the global market system. Schemes encouraging individuals to cultivate their entrepreneurial potential and transact competently are the ideal mechanism to encourage development. Microfinance operations and social enterprises are founded on these principles and presuppositions.

Entrepreneurialism does not necessarily belong to any particular ideology or historical tradition—rather as a concept, it exists in many cultural contexts with no “generic shape.” Amartya Sen characterizes the “freedom to transact” as a fundamental human freedom. There is not a single culture that “owns” entrepreneurship or entrepreneurial ideals. However there are ideologies that posit certain ways in which entrepreneurship can be most successful and productive. For example, in a contemporary context, economists make a distinction can be made between “necessity entrepreneurship” and “opportunity entrepreneurs.” Economic literature notes that necessity entrepreneurs are industrious individuals, primarily in developing countries, who form small enterprises purely for survival. But their enterprises are only limited forms of market participation whether as a street-seller hawking goods to passersby or a small tea stall owner in the informal sector. Poor necessity entrepreneurs are inflexible to market shocks. Some economists argue that these issues lead to “accelerated market failures,” meaning the long-term sustainability of the enterprise is practically

29 The informal sector of the economy is unregulated by the government, therefore not subject to taxes or government oversight. Developing economies are often characterized by large informal sectors.
nonexistent.\textsuperscript{30} Opportunity entrepreneurs however, possess significantly more resources, like start-up capital to finance their business and financial services such as banking and credit to more efficiently harness the power of the market.

Consequently, the gap between necessity and opportunity entrepreneurs is a fundamental obstacle to economic growth. Development theorists assume that “barriers hindering the poor from full market participation are access to credit, low investment in human capital, and geography.”\textsuperscript{31} To offer necessity entrepreneurs the same resources as opportunity entrepreneurs, such as loans, financial literacy training, and more structured methods of channeling entrepreneurial potential, is to provide invaluable support for economic development.\textsuperscript{32} I argue that this “officialization” of entrepreneurial ventures is where the neoliberal paradigm makes its entrance. Necessity entrepreneurs, with isolated consumer-bases and inefficient production, are not \textit{proficiently} functioning in the market. They do not utilize banking institutions or new strategies for capital accumulation. And they are certainly not fully participating in the market, participation that could liberate them from consistent poverty.

\textit{Bridging the Gap: Microfinance and Social Enterprise}

Bridging this gap, then, are all kinds of formal market-based development initiatives, from microfinance organizations offering loans to the poor to start small businesses, to social enterprise cooperatives that build financial skills and channel collective entrepreneurial potential. The Grameen Bank is one of the first microcredit

\textsuperscript{30} Cooney, Kate and Trina R. William Shanks, “New Approaches to Old Problems: Market Based Strategies for Poverty Alleviation.”

\textsuperscript{31} Cooney, Kate and Trina R. William Shanks, “New Approaches to Old Problems: Market Based Strategies for Poverty Alleviation.”

\textsuperscript{32} “Necessity Entrepreneurs: Microenterprise education and economic development”
organizations in the world, founded by Bangladeshi economics professor, Muhammad Yunus. The bank’s fundamental premise is that credit is a basic human right. In Yunus’ own words, “credit creates entitlement to resources and is the basis for the economic emancipation of the poor in general and poor women in particular.”33 This philosophy ascribes credit, an essential instrument of banking, power to liberate the poor, fitting well within the neoliberal paradigm: access to credit enables resource accumulation, driving self-sufficient employment and ultimately market participation. The Grameen Bank has seen enormous success, with a 95% repayment rate – and inspired thousands of microlending institutions all over the world.34

Though rooted in similar ideology, social enterprises often take shape at neighborhood and community levels rather than individual ones. In its most basic definition, a social enterprise is an organization that applies commercial strategies to maximize wellbeing, of humans and the environment.35 Rather than increase profits for enterprise shareholders, generated revenue should be reinvested into the community participating in the economic activity. Social enterprises take a variety of different forms that are often dissimilar by region and shaped by political and economic contexts.36 But whether a gender-based craft cooperative or an agricultural workshop, the underlying philosophy is that “paid employment is the primary activity moving the poor out of entrenched poverty.”37 In the developing world, social enterprises often focus on formalizing informal labor in order generate a new stream of income. Craftwork,

36 Janelle A. Kerlin, *Social Enterprise: A Global Comparison*
37 Cooney, Kate and Trina R. William Shanks, “New Approaches to Old Problems: Market Based Strategies for Poverty Alleviation.”
weaving, embroidery, and non-timber agricultural processing are primary targets, or in other words, *niche products* with unique methods of production and heritage.

Many of the arguments for such strategies focus on the potential for entrepreneurship among poor women as a means of income-generation and poverty alleviation. Within the rural development narrative, advocates of social enterprise, cooperatives, and microfinance schemes stress their ability to offer women the chance to choose their own actions. First, these schemes are associated with gender empowerment by providing typically disadvantaged women access to an income-generating opportunity. In social enterprises, the emphasis on niche products tapers the market in a specific method for the feminized poor. Second, entrepreneurial development initiatives can function as a tool of feminist radicalization by formalizing a subset of labor that may traditionally not be considered legitimate by concentrating on traditionally manufactured products. Women participating in cooperatives become formal members of the labor market through their work. Third, they facilitate social interaction between women by establishing a space reserved for women outside the home. Fourth, advocates of such schemes claim that they cultivate sustainable empowerment by encouraging financial literacy and management, as well as independence and associated skills within their participants. Another claim of advocates for women-targeted initiatives is that “when women benefit, outcomes for children – along with prospects for future poverty alleviation – improve.”

Such commercialized, gender-specific, cooperative activity could increase returns to female labor, improve women’s positions within household bargaining, and heighten their social status.

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Connecting the Paradigm to Argan and Shea

Keeping the parameters of this paradigm in mind, shea butter and argan oil are ideal products for this entrepreneurial project. As raw materials, argan and shea have had an active role in the lives of women in their respective regions and were actually central to women’s lives before the globalization boom. By nature, the extraction and refining processes of both products are highly cooperative, involving the pooling of resources among women of all ages to oversee the production – and were joint ventures even before the introduction of cooperatives. In shea production, such workgroups operated as the perfect model to pass down knowledge and skills from older to younger women, characteristics of the heritage product discussed above. Chalfin recounts how in northern and western Ghana, the making of shea butter is a skill taught to young daughters and brides, by mothers and mothers-in-law as a means of investment in family loyalty.\(^{39}\) “Extrahousehold cooperation” is also prevalent, when women from the same village or come together biweekly or monthly to arrange butter production for local consumption.

The traditionally gendered production of shea and argan engenders cooperatives as an ideal mechanism for targeted development strategies based in agricultural niche product generation. Social enterprises in particular have been the strategy of choice, with elder members contributing their expertise, while younger women contribute labor power. In the years following the argan boom, women’s cooperatives and social enterprises have become the chief mechanism of facilitating argan oil production in Morocco, with organizations established both by the European Union, the Royal

Moroccan Agency for Social Development, and private corporations. In 1999, there were only a “handful” of cooperatives employing a few hundred women in Morocco. In 2007, the cooperatives exploded to over 100 across the country employing more than 4000 women, now constituting 14% of total cooperative activity. The cooperative system dominates not only argan, but shea production as well – in Burkina Faso especially. In Burkina Faso alone there are an estimated 1,300 groups involved in shea production.

The Tighanimine Fair Trade Argan Oil Cooperative, located outside of Agadir southwest Morocco, is one of the most internationally renowned cooperatives. It has won many international awards for its work in sustainable development, with features in international women’s magazines and Fair Trade marketing material. The cooperative employs about sixty women, founded in early 2007 as the brainchild of a Tighanimine native, Nadia Fatmi. Fatmi pursued university studies, and decided to return to her hometown to work with the women. In her own words, argan oil production is the “only income generating activity” in the arid region surrounding Tighanimine. Fatmi decided to capitalize on the women’s know-how, providing literacy classes to the women to jump-start the business. Her steps to help formalize the women’s argan production fall exactly in line with the enterprise officialization promoted by the neoliberal paradigm. Fatmi

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contends that in the new cooperative model, the women are paid for every step in the production process, from collecting the nut, to processing the fruit, and finally for the total quantity of nuts she produces.

Ojoba Fair Trade Collective is a shea butter cooperative, interestingly based in Portland, Oregon, though the actual production takes place in northeastern Ghana. Two Americans founded the cooperative in 2003. It primarily supplies the natural cosmetics industry, attracting multinational firms such as Lush Cosmetics who specialize in organic and chemical-free products. The tagline of the cooperative, “empowering women through ethical trade,” is a bold statement, as are the cooperative’s claims to have helped achieve many of the United Nations Millennium Development Goals. “The wages made by the 400 women of Ojoba Women’s Shea Cooperative have let the community purchase additional food…eliminating hunger; and make additional income,” the website proudly states, “the cooperative has 400 empowered and outspoken women that have not only lifted themselves out of abject poverty but become a vibrant community.”

The website also hosts profiles of participants in the cooperative, attesting to the benefits that their participation have awarded their lives, from allowing them to send another child to school, to starting a livestock business with the extra income.

These anecdotal testimonials from Morocco and Ghana are highly encouraging primary sources that augment the sense of impact associated with social enterprises and

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50 Ojoba Women’s Shea Butter Cooperative, “Ojoba Collective.”
cooperatives. At the local level, these women are engaged in activity outside the home that belongs purely to them and are apparently able to collect income from their labor. But they are also limited in the insights they allow. Perhaps the public picture that their websites, magazine features, and awards paint a truly reflective illustration of how these cooperatives function in practice – but are they the norm?

**Parsing out the Economics**

We must first evaluate the economic effectiveness of these cooperatives, and in doing so, answer whether Tighanimine and Ojoba are representative of the thousands of other argan and shea cooperatives in the region. A number of economists have ventured into the field, conducting empirical tests to determine the impact of shea and argan cooperatives on the livelihoods of participants. The goal of these tests is to determine the effect of participation in such initiatives *compared* to the situation of nonparticipation. This comparison builds understanding of why people choose to be cooperative members or microfinance clients, and concretely shows whether these institutions are the best economic option available many poor women.

It is important to first determine the units of measurement for these tests. Continuing to operate within the neoliberal paradigm, success for these initiatives should be reflected in generated income and household spending – measures connected directly to paid wage work and directly correlated with breaking out of the poverty trap. These are the most common measures used to track the influence of income-generating activities, along with accumulated household wealth and savings.

In general, when it comes to income and spending, economists have concluded that microfinance institutions and social enterprises have presented only mixed results at
best. Abhijeet Banerjee with the Poverty Action Lab at the Massachusetts Institute of Technology conducted a series of studies examining the income impact of microfinance in Hyderabad, India. His team found that of microenterprise clients, only those households that already owned some sort of business increased their spending, while other households mostly used the loan to pay existing debts. In surveys conducted with the clients, the concluded: “Microenterprise may not be the miracle that is sometimes claimed on its behalf.” There is relatively less data-driven evidence on the effect of social enterprise participation on clients – Kate Cooney and Trina Shanks stress the need for more investigation. But they and Wolfgang Bielefeld highlight the sustainability issues associated with an enterprise that does not diversify their product line and is not able to internalize technological innovations. They contend that social enterprises, especially those with supply chains flowing to the global market, run the risk of becoming increasingly expensive to operate. These enterprises may have to internalize quality standards and even invest in mechanization to more efficiently meet growing global demand. Such costs become increasingly burdensome and the participants may face dwindling incomes.

 RETURNS TO THE SHEA AND ARGAN ECONOMIES

It logically follows that we should determine which camp of these results argan and shea cooperatives fall within. The fundamental queries are:

1. Whether argan oil and shea cooperatives are the best option for poor women to make a living.

2. Whether women’s participation in argan and shea cooperatives have substantially increased their individual incomes and household spending, thereby alleviating poverty.

3. And if so, whether the cooperative model a sustainable vehicle for income generation and women’s empowerment.

Why, economically speaking, do women participate in argan and shea cooperatives? First, many advocates argue that these social enterprises offer the best avenue for income-generation, and are a respite from a lack of alternative economic options for women. When women are barred from other sectors of the economy, such as male-dominated agriculture, cooperatives are a rare, economically positive opportunity. Second, while argan oil and shea butter are manufactured within the home for domestic consumption, and sold for profit when there is sufficient local demand, the quantity of these small cottage industry transactions is marginal when compared to the market opened up by global supply chains. Cooperatives dealing with multinational cosmetics firms connect these women with international commodity chains to which they would otherwise not have access.

Empirical findings on both shea butter and argan oil cooperatives contest this “best option” conclusion, however. In a study based on regulated cooperatives throughout Burkina Faso, Marlene Elias and Magalie Saussey found that it takes about ten hours on average to produce one kilogram of shea butter. This extensive time commitment is owed
to the highly labor intensive process but also to the high quality standards required of international cosmetic exports. Including these production costs a cooperative member earns only $0.20 for every hour of labor. This wage is actually even lower than the standard minimum wage for female agricultural work in Burkina Faso: $0.24. Elias and Saussey suggest, “the potential these incomes hold for ‘lifting’ women out of poverty, as fair trade narratives would suggest, remains questionable.”

A series of parallel studies on selected Moroccan households in argan-producing regions after the argan boom showed similar results. Travis Lybbert, Yann le Polain de Waroux, and Eric Lambin conducted separate empirical studies on households in argan-producing regions to determine the relationship between income, wealth, and the participation in argan oil cooperatives. For both sets of researchers, the exponential growth in argan oil demand coupled with the introduction of the cooperative system in the late 1990s functions as the market shock, or treatment effect for the test.

le Polain de Waroux tested villages outside of the coastal city of Agadir. In these cooperatives, on average, it takes about three days of work to produce one liter of argan oil, for which the female producer received about 50 Dh, half of the average local daily wage of 100 Dh for female agricultural wageworkers. Lybbert’s empirical test took place in two villages near Essaouira, southwest Morocco. Household consumption increased, but in economically very small terms – and only for households that were already well positioned to take advantage of demand for argan, whether by proximity to trees or involvement in a cooperative. Average weekly spending amounted to 170

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55 le Polain de Waroux, Yann and Eric F. Lambin, “Niche Commodities and Rural Poverty Alleviation: Contextualizing the Contribution of Argan Oil to Rural Livelihoods in Morocco.”
Moroccan dirhams (Dh), and the argan boom contributed an increase of only about 300 Dh annually.\(^{56}\) On average, this is only a 5 Dh increase in weekly spending, economically miniscule (5 Dh converts to about 50 cents and can buy, at most, a candy bar). Hence, all the studies find that “argan oil commercialization has played a minor role” in income accumulation and household consumption.

So additionally, not only have returns to argan and shea-based incomes been minimal, in some ways, the cooperative social enterprise has actually diminished potential returns to income, sending participants home with even less than they would earn ordinarily and countering the “best option” narrative. Describing the “neoliberal politics of argan extraction,” Bernard Turner notes these lost wages and suggests, “the cooperative model also appeared to be more oriented toward the market and less concerned with the livelihood conditions of the actual cooperative members.”\(^{57}\) He maintains that argan oil cooperatives are not quite “self-organized, counter-hegemonic” initiatives, but rather are enabling the “disenfranchisement of the local population with a standard product that responds to industrial demand and consumer expectations.”\(^{58}\)

Indeed in an ethnographic study on Burkinabe shea cooperatives, Delaney Grieg stresses that the cooperative system possesses both constraints and negative side effects.\(^{59}\) Participating in global supply chains has made international quality standards more relevant to social enterprises. Selling to European and American firms requires an institutionalization of particular regulations, such as cleaning and processing techniques.


\(^{58}\) Turner, Bertram, “Neoliberal Politics of Resource Extraction: Moroccan Argan Oil.”

\(^{59}\) Grieg, Delaney, “Shea butter: connecting rural Burkinabe women to international markets through fair trade.”
that culminate in driving up the production costs. To be certified “Fair Trade” for example, requires compliance with a series of criteria. Elias and Judith Carney also note that with skyrocketing demand, shea cooperatives have seen the need to integrate equipment, such as mechanized mills, to assist in meeting increasingly large quantities of butter desired by international clients.\textsuperscript{60} These investments are expensive and require the cooperatives to take on debts.

It seems that the prices for argan and shea products have internalized these increased production costs, and are still quite high, with luxury brands selling 7 ounces of argan oil for more upwards of $100.00 and shea for more than $50.00. But these international prices have not trickled down to the producers. Let us do a quick calculation. Say a Burkinabe woman is a member of a shea cooperative partnering with L’Occitane en Provence. She works at Elias’ calculated wage, earning $0.20 every hour. Taking L’Occitane’s price of $42.00 for 5.2 ounces of shea butter, we have $42.00 for about .15 kilograms. If it takes ten hours to produce 1 kilogram, it takes about an hour and a half to produce the shea butter for this product. Hence, the cooperative member earns about $0.30 on the product, only about 0.7% of the total price. In fact, though L’Occitane makes about $1.23 million annually in revenue from shea butter sales, 99.3% of the revenue does not come to a cooperative member in any way.\textsuperscript{61} A similar calculation for an argan cooperative producer tells an analogous story. 90% of Josie Maran products contain some amount of argan oil, and the company recently pulled in almost $100 million in retail sales, which, compared to the infinitesimal 300Dh seems to show what Turner affirms: “the described configuration does not significantly empower

\textsuperscript{60} Elias, Marlene and Judith Carney, “African Shea Butter: A Feminized Subsidy From Nature.”

\textsuperscript{61} Kamara, Yari. “L’Occitane au Burkina Faso: More than Just Business with Shea Butter Producers.”
those local people…to economic self-determination and self-reliance. Instead, market integration appears to negatively affect their full rights.”6263

Now the women at Marjana Cooperative offered a multitude of reasons for joining the enterprise, but categorically avoided making direct statements regarding their income. One woman said she joined because her sister and neighbor were members and said it was a good idea. Another said she wanted to stay at Marjana until she could afford to send her daughter to school, and that day had still not come after three years of work—only an oblique statement on her economic situation. And yet another said she joined simply because she had nothing else to do.64 Their responses do not completely affirm the empirical findings of negligible economic advantages, but neither do they contradict them. What they do warrant is a broader conversation about the more long-term structural complications of these development strategies, one that may help explain the Marjana ladies’ somewhat ambiguous opinions on their own involvement in argan cooperatives.

Interrogating the Neoliberal Paradigm

As established, social enterprises and women’s cooperatives are deeply embedded within the neoliberal development framework, resting on presuppositions about the market’s power to work against poverty and assumptions about barriers to this market participation. This section highlights the potential for disempowerment manifested in these strategies, utilizing feminist, sociological, and anthropological critiques of the neoliberal paradigm. These criticisms first contest the idea that market participation can actually free women from patriarchy and further suggest that participation in the global

63 Turner, Bertram, “Neoliberal Politics of Resource Extraction: Moroccan Argan Oil.”
64 Interviews at Marjana Argan Cooperative, October 2014.
market imposes yet another structure of power, the exploitative capitalist system, on vulnerable women in the developing world.

_Feminist Critiques_

Feminist critiques of neoliberal economic policymaking maintain that such policies are rooted in assumptions of a rational, utility-maximizing individual, and thus are deeply gendered. In her work on gender, development, and globalization, feminist economist Lourdes Beneria questions the assumed gender-neutrality of the globalized economy and neoliberal economic policies, arguing “that neoliberal globalization constructs a market society and is a thoroughly gendered process because it makes women’s home-based care work invisible.” These models and policies, she asserts, are “implicitly masculinized” both in their association of women’s freedom and empowerment with paid labor and their lack of acknowledgement that women may interact much differently with markets than men.

_Unpaid_ labor, which characterizes a sizeable segment of women’s work – and argan and shea production in local markets prior to globalization – is both ignored and delegitimized by these associations. Such a characterization restricts the vehicle of empowerment to a particular sphere of participation: the formal market that offers wage labor. Argan and shea processing are only useful activities when fully integrated into a formal, capital market. Why is this problematic? If women feel empowered through earning formal wages, do characterizations of unpaid labor matter? Earlier sections of this paper cited the rural development narrative that actually views this process as

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radicalization, turning domestic work into formal labor. Indeed, in an ethnographic study of women’s entrepreneurship initiatives in Turkey, Ozlem Altan-Olcay states, “on the one hand, programs targeting women’s entrepreneurship encourage women to think of themselves as individualized, rational agents with entrepreneurial capacities to earn a living.” The answer to this question leads us to another issue raised by Beneria: that women and men are shaped differently by market participation because of other embedded power dynamics at play.

Feminist economists argue that in the context of the neoliberal paradigm, female capabilities are still restricted to and defined by patriarchal interpretations of emancipation. These reproaches reject the idea that once women are given the chance to operate in the male space of the market, only then do they become rational, empowered individuals. They find this principle to be paradoxical and disempowering in its delegitimization of unpaid feminine labor that sustained many communities and societies for generations. In the setting of argan oil and shea butter specifically, the paradigm runs the risk of slowly denigrating the spiritual, cosmological, and social value the two products have held long before they provided any income by affixing the source empowerment to wages.

These feminist economists further assert that capital market participation alone does not free women from patriarchy – and freedom from patriarchy does not liberate women from potential capitalist exploitation. For example, economists and anthropologists examining the household effects of higher returns to female income conclude that while a woman may make more money, her ability to actually use it in her household is another question entirely. Documentation shows that for many women an
income-generating opportunity does not immediately translate to control over fiscal decisions. In surveys conducted with Indonesian women medicinal entrepreneurs, Maria Constanza Torri found that 40% of the businesswomen she spoke to emphasized the conflicts that arose at home over the use of her income.\textsuperscript{67} Banerjee of the MIT Poverty Action Lab presents similar findings from surveys of female business-owners throughout slum communities in South Indian cities.\textsuperscript{68} In my own interviews of female businesswomen in the Rabat medina, 50% of the women I spoke with expressed frustrations of a lack of financial control.\textsuperscript{69}

Second, though they may be generating income outside the home, “women are expected to utilize their entrepreneurship for the benefit of their families, coded as part of their caregiving responsibility.”\textsuperscript{70} Sure enough, Nadia Fatmi from Tighanimine Cooperative says herself “women are the only ones who can really benefit their family. They are the future.”\textsuperscript{71} The Grameen Bank chooses to target its loans towards women because they are more likely to use their extra income to invest in the community around them than spend it on themselves. The burden of “development” then, whether for the individual household or community as a whole, rests solely on the women’s shoulders, subjugating her as an object of the development cause. Her income-generating capacities are still inextricably linked to her patriarchally defined responsibilities. These discussions poke holes in the household bargaining theory and suggest that alone, paid labor is

\textsuperscript{71} Fair Trade Connection, “Tighanimine l’huile du argane Fairtrade du Maroc.”
simply not enough to positively interact with other structures of dominance keeping women disempowered. And while income-generating opportunities may offer women a chance to cultivate economic capabilities, they also subject these women to a new set of power structures extending even beyond the distinct systems of patriarchy and poverty.

*Fair, Pure, Organic: The Finicky Consumer of the Global North*

Fair, Pure, Organic: The Finicky Consumer of the Global North

From a more macro perspective and most salient in the context of this paper’s analysis is this: when the vehicles of entrepreneurship, the enterprises themselves, are built on products that are appealing to the ever-changing tastes of a far-flung consumer, the problems embedded in this neoliberal paradigm of development become even more acute. These foundational problems are what Beneria calls the “broader power inequalities” unaddressed by market-based institutions. To probe this inequality, I return to the dialogue on the argan and shea booms, and examine the relationship between the consumer side of the boom, and the producer, supply-side of the boom.

The growth in popularity for shea and argan products in the Global North, constituted a globalized market shock that began in the mid-1990s and continued into the early 2000s. This boom is made unique by the accompanying marketing narrative of socially conscious consumerism, couched within the framework of the fair trade social movement. Socially conscious consumption, sometimes called ethical consumerism, or moral shopping, has been defined in a variety of ways in sociological literature, from a consumer “taking into account the public consequences of their private consumption,” to

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72 Beneria, Lourdes, “Globalization, Gender, and the Davos Man.”
“one who uses their purchasing power to bring about social change,” and finally “taking responsibility for one’s day-to-day impact upon the world,” via buying.\(^73\)\(^74\)

In the context of cosmetic argan and shea, this narrative of conscious consumerism is oft employed as a bulwark marketing strategy, where the wellbeing of poor women in Africa producing the goods is intimately linked with the purchase of the product. The primary consumer demographic of argan and shea are wealthier women from the Global North with a vested interest in purchasing cosmetic products for their exotic and wondrous properties and effects. Shea and argan-based cosmetics are marketed on the global stage as “win-win” products: on one hand they offer a novel and exotic solution to beauty problems. On the other hand, they are an opportunity for disadvantaged women in the Global South to become independent. L’Occitane and Josie Maran, cosmetics brands referenced prior, boast distinct campaigns utilizing rhetoric that characterizes their products as “Luxury with Conscience” and “Women’s Gold.”\(^75\)

This rhetoric, accompanied with images of traditionally-garbed West African and Moroccan women working against an African countryside backdrop appeal greatly not only to a Global North consumer’s ethos, but also to their desire for “authenticity,” “purity,” and “naturalness.” Such images firmly locate the female Moroccan or Burkinabe producer as the “other,” a cavern of mystical beauty regimens and an artifact of fantasy. Purchasing the goods allows the consumer to dip into the romanticized exotic. bell hooks observes this phenomenon as “eating the Other,” maintaining that the consumption of such exotic goods “allows privileged consumers to assert their power

\(^74\) Webster, Frederick E. “Determining the Characteristics of the Socially Conscious Consumer,” *Journal of Consumer Research*, 2, no. 3 (1975): 188-196
\(^75\) See Appendix A: Figures 4-7
over the ‘ethnic’ cultures they consume.”76 Indeed, even indigenous producers appeal to this language. Al-Amal Oils, a Moroccan firm founded by a Moroccan-American businesswoman, proudly showcases its partnership with “Berber women’s cooperatives” in an effort to share “ancient” and “secret” Moroccan beauty rituals that have “not yet been discovered by the Western world.” The company also states its commitment to provide “sustainable support for Moroccan women entrepreneurs.”77

There are two fundamental issues with this employed lexicon. First, the rhetoric creates an implicit dependency of the producer on the consumer’s desire for exotic, pure goods. It reinforces the dynamic between the socio-economically privileged consumer, made even more powerful by their demand, and the producer, from a vulnerable population with a livelihood that rests on this continuous demand. Second, this implicit dependency is further dangerous in that if the tastes of the consumer change, the producer no longer has a consumer base.

Chalfin compares the explosion of shea popularity to the similar cocoa butter boom that exploded just twenty-five years prior. The 1960s and 70s saw a marked rise in demand for cocoa butter by European chocolate producers and wealthy chocolate consumers: production in leading cocoa producers Cote d’Ivoire and Ghana rose significantly, and prices increased. As chocolate makers eagerly scooped up portions of the cocoa market, cocoa butter slowly became a ubiquitous product – and its previous notions of naturalness and uniqueness began to fade – a phenomenon Chalfin calls the

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http://www.amaloils.com/
“massification” of cocoa. Chocolate producers were no longer willing to pay the high price for unwanted cocoa butter. Thus, in the early 1990s, demand for cocoa butter steadily declined as chocolate confectioners in the United States and Europe found cheaper and more interesting substitutes to use (shea butter being one of them), and cocoa farmers could not adapt without state assistance. The weakening of the cocoa sector had broad consequences for the sustainability of cocoa growers’ livelihoods, and prompted vehement opposition from the cocoa-growing community, who “…can point to the chaos, losses, quality deterioration and loss of market value across the region caused by collapse.”

In parallel, ironically, the popularity of shea and argan is actually bound to perceptions of their purity—as alternatives to the mass-produced beauty products of the capitalist cosmetics market. These notions of authenticity and exoticism held by the privileged consumer can wear away, just as they did with cocoa butter (the cocoa market exhibited volatility in a span of about 20 years). As demand grows, and production to match it, as multinational cosmetics and beauty firms scramble to get a hand in the argan and shea markets, the presence of argan and shea products may reach a critical mass, seen everywhere from neighborhood drugstores to high-end beauty counters. Once demand peaks, consumer disinterest in argan and shea could follow, and the very structures of supply and demand chains propping up these social enterprises may fall apart.

So here is a touted development strategy that has indeed embraced Bourdieu’s “domination by insecurity,” with the livelihoods of vulnerable, poor women precariously

perched on the fluid vanities of a cosmetics consumer in Global North. The gains provided by this surrender to the perilous global market are empirically minimal – and insufficient to blind us to the long-term underlying frailties of these enterprises.
Ultimately, these women’s livelihoods are sustained on the “otherization” of both the producer and the product, a configuration that fundamentally contradicts conceptions of empowerment. Through the lens of these criticisms, these enterprises are not necessarily cultivating independence, but rather shifting the dependency of these women onto another, perhaps even more powerful set of actors.

**Marjana and the Paradigm**

I want to return to the floral-djellaba clad cooperative member from the first anecdote of this paper, the first woman I spoke to at Marjana. In a way, her equivocal answer to my inquiry set the tone for the rest of my discussions with the Marjana women. Their lived experiences neither fully confirm nor fully challenge the neoliberal development paradigm, or its critiques. On one hand, many women expressed general amity towards their experiences at Marjana, telling me how they enjoyed the chance to spend time with other women in space that was not intrinsically domestic. They could gossip, share and vent their lives to one another within the cooperative walls – even share their lives with me. On the other hand, none of the women emphasized any concrete economic benefit they received from participating in Marjana. These attitudes seem to undermine the mainstream narrative hailing the definitive positive economic effects of social enterprises.

And most remarkably, the cooperative women did not engage with the sales side of the enterprise altogether. After our tour of Marjana, the cooperative managers
(interestingly men) led us to the product showroom to browse and shop. Tourists filled the showroom, assisted by saleswomen recommending the best products for anti-aging and dry skin. There was no real trace of any of the women I had interviewed on the oil bottle labels, soaps, or lotions – only small print touting the “made-by-women, organic, 100% natural” motto. It was as if a curtain had descended between us as I returned to my role as a privileged argan consumer and they to nameless, faceless producers hidden away. This was an unsettling conclusion to the trip. I wondered how many tour groups passed through Marjana, indulging in the spectacle of these women harvesting nuts for a second before purchasing famous Moroccan argan oil, in some ways just as I had done.

These moments following the interviews made me recognize my own role in perpetuating the dependency of these women on my consumer choices, and put their answers to my questions in a wider perspective. Now that I can take my own positionality in tandem with the analysis of the potential problems niche product social enterprises, I see how this episode at Marjana gives credence to the issues of power dynamics underpinning these development strategies. And in truth, no matter what the marketing material told me, I had no hand in empowering these women. They were – they are – mothers, sisters, wives, and most importantly women who in many ways did not suddenly derive empowerment from just the cooperative, but had already cultivated it through making choices for themselves and their families. Electing to participate in Marjana in the first place, leaving the cooperative after years of little palpable gain, joining in order to send a daughter to school. These are all decisions these women took upon themselves that extend beyond any economic model – and yet went overlooked by the Marjana Cooperative narrative, a narrative that strangely fixated on me more than them.
Conclusion

Locating the activities of shea butter and argan oil cooperatives within the neoliberal development paradigm brought up questions of its merits in practice – not only for argan and shea economies, but woman-centered economic activities and development initiatives all over the world. The paradigm is centered on a series of assumptions, first, about the power of capital markets to positively impact livelihoods, and second, about the obstacles preventing the poor from market participation. But the paradigm also suffers from critical shortcomings from feminist and sociological perspectives. These shortcomings become more prominent when seen through the lens of argan and shea-based social enterprises. Pairing these discussions with my ethnographic field research from an argan cooperative in Morocco, as well as empirical studies on the economic effectiveness of social enterprise in alleviating poverty complicated the debate on the short-term benefits and long-term fragilities of women-focused, market-based development strategies. My hope is that this dialogue can eventually situate itself in development discourse that incorporates transnational feminist and feminist economic perspectives to inform the way in which initiatives targeting women of the developing world are structured in the future.
Appendix A

Figure 1

Figure 2

Figure 3
Figure 4

Our Partners in Kindness

We say “thank you” for nature’s gifts by collaborating with amazing partners whose work for the common good inspires us. In other words: we're all about beauty that's anything but skin-deep.

Moroccan Women's Co-ops
Empowering women is my personal passion—a beautiful thing whose time has definitely come. That’s why we get all of our Argan Oil from all-female cooperatives in Morocco. These co-ops, set up by the Moroccan government in 2002, give women in rural Morocco a steady income, a fair wage, decent working conditions, and literacy and other education classes that give them freedom and options in a traditionally male-dominated society. Natural beauty, independent women: that’s Luxury With a Conscience in a nutshell.

Preserving the Argan Forests
The Moroccan women’s cooperatives we partner with don’t just empower women—they protect the Argan forests. The beautiful, slow-blooming Argan tree takes 14 years to bear fruit, which is why their oil is so precious and rare, and their preservation so important for beauty and balance. The co-ops we work with are dedicated to responsible harvesting practices and reforestation projects, which — along with environmental protection policies — keep Argan forests and women’s jobs safe. To shop for all natural, 100% Pure Argan products, visit here.
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Figure 6

WOMEN'S GOLD

A symbol of life

Just as the olive tree is an important part of the Mediterranean landscape and lifestyle, so is the shea tree to West Africa, its name in the local language means "life." In Burkina Faso, women use shea butter from cooking to protecting and nourishing their skin and that of their children.

Figure 7

WOMEN'S GOLD

A symbol of life

Just as the olive tree is an important part of the Mediterranean landscape and lifestyle, so is the shea tree to West Africa, its name in the local language means "life." In Burkina Faso, women use shea butter from cooking to protecting and nourishing their skin and that of their children.

“Women’s gold”

Known as "women's gold," shea butter also ensures a precious source of revenue for those involved in its collect and production. Organized in cooperatives, local women are the only ones who know how to turn it into butter. They can use the shea butter income for their family such as the education of their children.
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Marjana Argan Cooperative, Interviews, October 2014.


